

# COMMUNITY ACTION AGENCY - VITA/FINANCIAL EDUCATION



## WHAT IS AN Individual Taxpayer Identification Number (ITIN)

An ITIN is a tax processing number, issued by the IRS for certain resident and nonresident aliens, their spouses, and their dependents. It is a nine-digit number beginning with the number "9", has a range of numbers from "70" to "95" for the fourth and fifth digits and looks like a Social Security Number (SSN).

The ITIN is only available to individuals who are required to have a taxpayer identification number for tax purposes but who do not have and are not eligible to obtain a SSN from the Social Security Administration (SSA). Generally, a U.S. Federal income tax return must accompany the ITIN application. ITINs are issued regardless of immigration status because both resident and nonresident aliens may have United States tax return filing and payment responsibilities under the IRS code.

**Note:** ITINs are used for tax purposes only, does not authorize work in the U.S., does not provide eligibility for Social Security Benefits or Earned Income Tax Credit (EITC), and does not establish immigration status.

## HOW TO APPLY FOR ITIN

The applicant must complete Form W-7/W-7(SP) and attach a valid U.S. Federal income tax return unless you qualify for an exception. Include your original, notarized or certified proof of identity documents along with the "letter of denial" from the SSA (if applicable). Because you are filing your tax return as an attachment to your ITIN application, you should

not mail your return to the address listed in the Form 1040, 1040A or 1040EZ instructions. Instead send your return, Form W-7/W-7(SP) and proof of identity documents to the address listed in the Form W-7 instructions:

Internal Revenue Service

ITIN Operations

P.O. Box 149342

Austin, TX 78714-9342

You may also apply using the services of an IRS authorized Acceptance Agent in lieu of you mailing the information to the IRS. The Certifying Acceptance Agency (CAA) will assist the taxpayer in the preparation of the Form W-7/W-7(SP), answer questions about Form W-7/W-7(SP), review and/or validate your identity documents, and forward your W-7/W-7(SP) and accompanying tax return to the IRS processing service center.

## DOCUMENTATION NEEDED

1. The Form W-7/W-7(SP) application must be accompanied by the original valid U.S. Federal income tax return for which the ITIN is needed along with the letter of denial from the SSA (if applicable). However, if it for an ITIN Renewal, no income tax return is needed.
2. All documentation must establish identity and the connection to a foreign country (foreign status). Applicants claimed as dependents must also prove U.S. residency unless the applicant is from Mexico or Canada or the applicant is a dependent of U.S. military personnel stationed overseas.
3. All documents must be originals, or certified copies of these documents from the issuing Agency, that supports the information provided on Form W-7. A certified document is one that the **original issuing agency** provides and certifies as an exact copy of the original document and contains an official stamped seal from the agency. The applicant may be able to request a certified copy of documents at an embassy or consulate. However, services may vary between countries, so it is recommended that you contact the appropriate consulate or embassy for specific information.

Original documents submitted will be returned to the mailing address shown on Form W-7/W-7(SP). *You don't need to provide a return envelope. Applicants are permitted to include a prepaid Express Mail or courier envelope for faster return delivery of their documents. The IRS will then return the documents in the envelope provided by the applicant. If your original documents aren't returned within 60 days, you can call the IRS (see Telephone help, earlier). If you will need your documents for any purpose within 60 days of submitting your ITIN application, you may wish to apply in person at an IRS Taxpayer Assistance Center or CAA or go to a Certifying Acceptance Agent.*

4. The documentation must be current (that is, not expired).

There are 13 acceptable documents as shown in the table below. At least one document must contain your photograph, unless you're a dependent under age 14 (under age 18 if a student).

Supporting Documentation	Can be used to establish:	
	Foreign Status	Identity
Passport(the only stand alone document)	X	X
U.S. Citizenship and Immigration Services (USCIS photo identification)	X	X
Visa issued by the U.S. Department of State	X	X
U.S. drivers license		X
U.S. military identification card		X
Foreign driver's license		X
Foreign military identification card	X	X
National identification card (must contain name, address, date of birth, and expiration date)	X	X
U.S. state identification card		X
Foreign voter's registration card	X	X
Civil birth certificate	X	X
Medical records (valid only for dependents under age 6)	X	X
School records (valid only for dependents under age 18 if a student)	X	X

Applicants claimed as dependents who need to prove U.S. residency must provide additional documentation if the passport doesn't have a date of entry into the United States.

## DOCUMENTATION REQUIREMENTS FOR CHILDREN

Another major change to the ITIN program is that children need a VISA and there are also new requirements for dependents to use passports for identification. Beginning October 1, 2016, passports must have a date of entry into the U.S. for dependents from a country other than Canada or Mexico or dependents of military members overseas. Applicants that don't will be required to submit additional documentation to prove U.S. residency based on the dependent's age:

- All children must have a birth certificate
- Under 6 – medical records
- Under 18 – school records
- Over 18 – rental statements, bank statements, or utility bills listing the applicant's name and U.S. address

## THE PROTECTING AMERICANS FROM TAX HIKES (PATH) ACT

The Protecting Americans from Tax Hikes (PATH) Act of 2015 includes important changes to the Individual Taxpayer Identification Number (ITIN) program. One provision will deactivate unused ITINs issued before January 1, 2013 over several years and ITINs that have not been used on a federal tax return at least once in the last three years will expire. This renewal process is designed to verify all ITINs under the same procedures.

## ITIN RENEWAL REQUIREMENT

### Who Is Affected?

The following ITINs will expire December 31, 2018:

1. ITINs that have not been used on a federal income tax return at least once in the last three consecutive years 2015, 2016, and 2017.
2. ITINs with middle digits 73, 74, 75, 76, 77, 81, or 82.

*The following ITINs with the middle digits 70, 71, 72, 78, 79, and 80 have already expired.*

The IRS has mailed notification letters to inform the next category of ITIN holders above that they must renew an ITIN (for the filer, a spouse, or a dependent) if they plan to file a tax return in 2018. ITIN holders who will not file a tax return in 2018 are not required to renew their ITINs at this time.

Taxpayers who file tax returns with an expired ITIN will be sent a notice advising them of the renewal requirement. They will experience processing delays until they renew their ITIN. Refunds for some tax credits like the Child Tax Credit and the American Opportunity Tax Credit will be held until the ITIN is renewed.

## What is the Renewal Process?

One can renew an expiring ITIN by completing and submitting Form W-7, “Application for IRS Individual Taxpayer Identification Number,” and all required identification documents to the IRS. The W-7 application can be submitted three ways:

1. Mail the application to the IRS with original identification documents or copies that are certified by the agency that issued them. Documents will be returned within 60 days. A tax return **is not required** to be included with a W-7 application to renew an ITIN.
2. Visit an IRS authorized **Certified Acceptance Agent** who can verify some identification documents so that the originals do not need to be mailed to the IRS. **Community Action Agency is a Certifying Acceptance Agent for Montgomery County residents.** Please call **240-777-1123** for assistance in scheduling an appointment or if additional information is needed. Recent IRS rule changes now permit Certified Acceptance Agents to verify passports and birth certificates for dependents.
3. Schedule an appointment at an IRS **Taxpayer Assistance Center** designated to verify passports and national ID cards used for ITIN renewal applications

To assist households with multiple ITIN holders, there is a family ITIN renewal option that allows other members of a household with ITINs to renew at the same time as the individual with an ITIN that will expire at the end of the year.

The IRS will begin processing renewal applications in order of receipt. If the IRS requires additional information, a notice will be sent to the renewal applicant. Taxpayers should allow at least seven weeks for an ITIN application status update from the IRS. IRS will send notices of successful renewals. Applications sent from overseas or during January 15 through April 30, 2018, should allow nine to eleven weeks.